

**SECOND MODIFICATION TO
CONSULTING AND ACTUARIAL SERVICES
FOR THE
STATE OF MARYLAND EMPLOYEE AND RETIREE HEALTH
AND WELFARE BENEFITS PROGRAM
CONTRACT NO. F10B7400031**

THIS SECOND MODIFICATION (“SECOND MODIFICATION”) is made as of this 19th day of December, 2025, by and between **THE SEGAL COMPANY (EASTERN STATES), INC., THE SEGAL GROUP, INC., GUARANTOR** (“Segal” or “the Contractor”) and the STATE OF MARYLAND, acting through the **Department of Budget and Management, Office of Personnel Services and Benefits** (the “Department”).

WHEREAS, on **November 14, 2018**, the Department entered into a contract with the Contractor for **Consulting and Actuarial Services for the Maryland State and Retiree Health and Welfare Benefits Program, Project No. F10B7400031**, (the “Contract”) pursuant to the **Request for Proposals for Consulting and Actuarial Services for the Maryland State and Retiree Health and Welfare Benefits Program, Project No. F10B7400031** dated **May 30, 2017**, and all amendments thereto issued in writing by the State (the “RFP”); and

WHEREAS, the Department and Contractor modified the Contract on November 13, 2023 (“Modification 1”) to extend the Contract for two (2) years, from January 1, 2024, through December 31, 2025, to enable the Department to conduct a new procurement and award a new contract for the subject services; and

WHEREAS, the parties desire to further extend the Contract for an additional one (1) year, from January 1, 2026, through December 31, 2026, to enable the Department to conduct a new procurement and award a new contract for the subject services; and

WHEREAS, the Contractor agreed that during the extended period it would continue to make good-faith efforts to meet the 1% Veteran-Owned Small Business Enterprise (VSBE) participation goal set forth in the RFP; and

WHEREAS, the Contractor has requested to replace its VSBE subcontractor due to circumstances beyond the Contractor’s control; and

WHEREAS, the Department and Contractor desire to also further modify the Contract in order to amend the Contractor’s original VSBE Utilization Affidavit and Prime/Subcontractor Participation Schedule and VSBE Subcontractor Participation Statement (collectively, as to the amended VSBE plan, the “Revised VSBE Plan #1”).

NOW, THEREFORE, IN CONSIDERATION of the Recitals which are hereby made a substantive part hereof, and the mutual promises and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the Department and Contractor hereby mutually agree to the changes below.

1. VSBE Participation Plan.

- 1.1** The original VSBE Plan is hereby replaced in its entirety with the Revised VSBE Plan #1, attached hereto and incorporated into the Contract by reference herein.
- 1.2** The Contractor represents and warrants that it will meet its promised obligation to its one (1) new VSBE subcontractor, identified below:

Arkenstone Technologies, LLC

Implementation of the corrective plan herein and the replacement of the one (1) VSBE shall not adversely affect the volume, amount, and value of the work provided to Arkenstone Technologies, LLC.

2. Consideration and Payment.

- 2.1** This Second Modification hereby revises Contract Section 4.1 to correct the total amount in the original Contract (dated November 14, 2018) and incorporate the approved hourly rates for the required Consulting Services totaling Five Million Seven Hundred Sixty Two Thousand Five Hundred Dollars (\$5,762,500.00) along with the annual fixed fees for Actuarial Services totaling Two Million One Hundred Twenty Thousand Dollars (\$2,120,000.00), as stated in its BAFO #1, dated September 27, 2017, for a revised total not-to-exceed Contract amount of Seven Million Eight Hundred Eighty Two Thousand Five Hundred Dollars (\$7,882,500.00).
- 2.2** This Second Modification also hereby revises Contract Section 4.1 to add Eight Hundred Forty Three Thousand Two Hundred Dollars (\$843,200.00) to the Contract, increasing the not-to-exceed amount of the Contract from Seven Million Eight Hundred Eighty Two Thousand Five Hundred Dollars (\$7,882,500.00) to Eight Million Seven Hundred Twenty Five Thousand Seven Hundred Dollars (\$8,725,700.00); \$300,000.00 for Actuarial Services and \$543,200.00 for Consulting Services. Payment to the Contractor for the services under Contract §4 shall retain the same rate of compensation as stated in the fifth year of the BAFO Request, dated September 27, 2017. The terms and conditions of Section 4 of the Contract remain unchanged.

- 3. Scope of Second Modification.** This Second Modification amends the Contract specifically as described herein. The Revised VSBE Plan #1 shall be in full force and effect as of the date of this Second Modification. Any services provided by, and any compensation paid to, the any previous subcontractor prior to the effective date of this Second Modification shall be considered and allowable toward the Contractor meeting its obligations in connection with VSBE participation under the Contract. Except as specifically revised by the terms of this Second Modification, all of the terms of the Contract and prior Modifications shall remain in full force and effect and shall apply to this Second Modification.

Signatures on the next page.

IN WITNESS THEREOF, the parties have executed this Second Modification as of the date hereinabove set forth.

CONTRACTOR:

**THE SEGAL COMPANY (EASTERN STATES),
INC.**

[Redacted Signature]

By: (Signature)

KIRSTEN R Schatten, SVP

Print Name and Title

December 11, 2025

Date

[Redacted Signature]

Witness / Attest

STATE OF MARYLAND:

DEPARTMENT OF BUDGET AND MANAGEMENT

[Redacted Signature]

By: YAAKOV JAKE WEISSMANN, ACTING
SECRETARY

Or designee:

MARC NICOLE, DEPUTY SECRETARY

December 19, 2025

Date

[Redacted Signature]

Witness

PARENT COMPANY GUARANTOR:

THE SEGAL GROUP, INC.

[Redacted Signature]

By:

December 11, 2025

Date

[Signature]

Witness

APPROVED FOR FORM AND LEGAL SUFFICIENCY THIS 22nd DAY OF December, 2025.

[Redacted Signature]

ATTORNEY GENERAL

Revised VSBE Plan

